

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
MIDLAND DIVISION**

<b>In re:</b>	§	
	§	
	§	
<b>RREAF O&amp;G PORTFOLIO #2 LLC;</b>	§	<b>LEAD CASE NO. 15-70094-rbk</b>
	§	
<b>RREAF O&amp;G PORTFOLIO #2 MANAGER LLC;</b>	§	<b>CASE NO. 15-70095-rbk</b>
	§	
<b>RREAF O&amp;G PORTFOLIO #3 LLC;</b>	§	<b>CASE NO. 15-70096-rbk</b>
	§	
<b>RREAF O&amp;G PORTFOLIO #3 MANAGER LLC;</b>	§	<b>CASE NO. 15-70097-rbk</b>
	§	
<b>Jointly Administered Debtors.</b>	§	<b>Chapter 11</b>
	§	
	§	<b>(Jointly Administered Under</b>
	§	<b>CASE NO. 15-70094-rbk)</b>
	§	

**STIPULATION AUTHORIZING USE OF CASH COLLATERAL THROUGH  
AND INCLUDING PLAN EFFECTIVE DATE**

WHEREAS, on October 20, 2015, the Court entered the *Corrected Final Order Authorizing Use of Cash Collateral* (the “October Order,” ECF No. 129), pursuant to which this Court authorized the above-captioned debtors (collectively, the “Debtors”) to use the cash collateral (as such term is defined in the Bankruptcy Code) of Spectrum Origination LLC (“Spectrum”) in accordance with the terms and conditions set forth in the October Order;

WHEREAS, the October Order permitted the Debtors’ use of Spectrum’s cash collateral through December 31, 2015;

WHEREAS, on January 15, 2016, the Court entered the *Agreed Order Authorizing Cash Collateral Through and Including February 3, 2016* (the “January Order,” ECF No. 167), pursuant to which this Court authorized the use of cash collateral through February 3, 2013;

WHEREAS, on February 4, 2016, the Court entered the *Final Order (I) Authorizing the Debtors’ Use of Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, and (IV) Granting Other Relief* (the “February Order,” ECF No. 204)<sup>1</sup>, pursuant to which this Court authorized the use of cash collateral through February 29, 2016;

WHEREAS, on February 8, 2016, the Debtors filed their *Second Amended Plan of Reorganization of RREAF O&G Portfolio #2 LLC, RREAF O&G Portfolio #2 Manager LLC,*

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the February Order.

*RREAF O&G Portfolio #3 LLC, and RREAF O&G Portfolio #3 Manager LLC Proposed by the Debtors and Spectrum Origination LLC, as Modified* (as it may be amended, the “Plan”, ECF No. 211);

WHEREAS, on February 22, 2016, the Court entered an order confirming the Plan (such order, the “Confirmation Order,” ECF No. 224);

WHEREAS, following entry of the Confirmation Order, the Debtors and Spectrum each took necessary action to help facilitate the occurrence of the effective date of the Plan (such date, the “Effective Date”);

WHEREAS, as a result of delays imposed by third parties, Spectrum has indicated that the Effective Date of the Plan cannot occur on or prior to February 29, 2016;

WHEREAS, the February Order provides that the Debtors’ ability to continue to use cash collateral may be extended, with the prior, written consent of Spectrum, by submitting a notice of an amended, modified, or extended budget regarding cash collateral usage (such budget, the “Budget”);

WHEREAS, the February Order contains certain milestones, covenants, and deadlines regarding, among other things, Plan confirmation and consummation;

WHEREAS, Spectrum has agreed to allow the Debtors to continue to use cash collateral through and including March 12, 2016, on the terms set forth herein (including the modifications to the February Order set forth herein) to allow the Debtors and Spectrum to continue to work toward achieving the Plan’s Effective Date;

NOW, THEREFORE, the Debtors and Spectrum hereby agree and consent to the Debtors’ continued use of cash collateral, on the following terms and conditions, and also agree and consent to the modifications of the terms of the February Order set forth below:

1. The Debtors shall be authorized to continue to use Cash Collateral on the terms set forth in the February Order (but subject to any modifications or waivers of the February Order terms set forth herein), in accordance with the Budget attached hereto as Exhibit 1, through the earlier to occur of (a) March 12, 2016; and (b) the Effective Date of the Plan.

2. Notwithstanding the terms of the February Order, no additional Adequate Protection Payments shall be made between the date of this Stipulation and the Effective Date of the Plan. Spectrum hereby agrees that the Debtors were not required to make any Adequate Protection Payment on February 25, 2016 and waives any defaults under the February Order that

may have arisen as a result of no Adequate Protection Payment being submitted on February 25, 2016; provided, however, that any Adequate Protection Payments that would have otherwise been paid absent this Stipulation shall remain available to Spectrum in the form of Closing Cash.

3. Spectrum agrees that the Plan Milestones set forth in paragraphs 17(a) and 17(b) of the February Order have been timely satisfied. Notwithstanding the Plan Milestone for the Effective Date of the Plan set forth in paragraph 17(c) of the February Order, Spectrum agrees that the milestone for the Plan's Effective Date set forth in paragraph 17(c) of the February Order is extended through and including March 12, 2016, without prejudice to subsequent extensions of such Plan Milestone by Spectrum, which extensions may be made in writing by Spectrum, and without further order of (or notice to) the Court.

[Remainder of Page Intentionally Blank – Signatures Follow]

Dated: February 29, 2016

Seen and Agreed:

/s/ Brent R. McIlwain

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Counsel for Spectrum Origination LLC

**Exhibit 1**

**Cash Collateral Budget**

(see attached)

**RREAL O&G Portfolio #2 LLC - Debtor-in-Possession Case 15-70094**

3-01-2016 thru 3-11-2016 Weekly Cash Collateral Forecast

	3/1/2016	3/1/2016	3/8/2016	3/8/2016
	3/7/2016	3/7/2016	3/11/2016	3/11/2016
<b>Beginning Cash Balance(2)</b>	<b>\$ 1,734,825</b>		<b>\$ 1,818,089</b>	
Deposits:				
Room Revenue recorded				
<b>REVENUES (1)</b>				
Rooms	\$ 202,202		\$ 113,916	
Telephone Long Distance	\$ -		\$ -	
Telephone Local	\$ -		\$ -	
Meeting Room	\$ 307.76		\$ 165	
Pet Fees	\$ 66.80		\$ 38	
Guest Store Income	\$ 301.35		\$ 180	
Vending Income	\$ 255.00		\$ 148	
Laundry Income	\$ 31.07		\$ 18	
Misc. Income	\$ -		\$ -	
<b>TOTAL REVENUE</b>	<b>\$ 203,164</b>		<b>\$ 114,465</b>	
<b>OPERATING EXPENSES</b>				
Total Room Supplies Expenses	\$ 52,840		\$ 30,194	
Total Admin & Gen Expenses	\$ 32,386		\$ 18,506	
Total Sales, Marketing & Advertising Expense	\$ 11,651		\$ 6,658	
<b>Total Franchise &amp; Royalty Fees</b>	<b>\$ -</b>		<b>\$ -</b>	
Total Maintenance & Repair Expense	\$ 12,623		\$ 7,213	
<b>Total Utility Expense &amp; Adequate Assurance Payments</b>	<b>\$ -</b>		<b>\$ -</b>	
<b>US Trustee Fees (relating to Q4 2015)</b>	<b>\$ 10,400</b>			
<b>2015 Income Tax Return Preparation Payments</b>			<b>\$ 15,000</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 119,900</b>		<b>\$ 77,571</b>	
<b>Actual Cash Disbursements</b>		<b>\$ -</b>		<b>\$ -</b>
<b>Revenue In</b>	<b>\$ 203,164</b>		<b>\$ 114,465</b>	
	\$ 1,937,989		\$ 1,932,554	
<b>Sales Tax Disbursements</b>				
<b>Additional Reserves</b>				
<b>Expenses</b>	<b>\$ 119,900</b>		<b>\$ 77,571</b>	
<b>Ending Cash Balance (3)</b>	<b>\$ 1,818,089</b>	<b>\$ -</b>	<b>\$ 1,854,982</b>	<b>\$ -</b>
<b>Ending Cash Balance in Wells Fargo and Local Bank Collection Accts (4)</b>				
<b>Reserves</b>	1,226,045		1,226,045	
<b>Available Cash After Deducting Reserves</b>	592,044	<b>\$ -</b>	628,937	<b>\$ -</b>

(1) Note, at the request of (and as required by) Spectrum Origination, LLC, this budget reflects revenue projections that are lower than the revenue projections included by the Debtors in their prior budget drafts. Submission of this budget shall not be deemed an admission by the Debtors that Spectrum Origination's more conservative projections are the correct projections of the Debtor's future financial performance.

(2) The cash balance includes funds set aside for reserves.

(3) Note, actual ending cash balance is an estimated actual cash balance prepared on a rollforward basis. The actual cash in the Debtor's accounts may vary from the rollforward amounts set forth herein due to float differences associated with respect to cash deposits and timing differences with respect to issued, but uncleared checks.

(4) Applicable to the actual columns only, this represents the ending cash balance, as of the last day of the budget period, per the Wells Fargo and local bank collection account records. This amount may not tie to prior cash collection activity due to float differentials, as cash deposits are processed on a daily basis and may not be reflected in bank records immediately on the day of deposit.

3-01-2016 and thru 3-11-2016 Weekly Cash Collateral Forecast

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	3/1/2016	3/1/2016	3/8/2016	3/8/2016
	3/7/2016	3/7/2016	3/11/2016	3/11/2016
<b>Beginning Cash Balance (2)</b>	<b>\$ 111,142</b>	<b>\$ -</b>	<b>\$ 120,077</b>	<b>\$ -</b>
Deposits:				
Room Revenue recorded				
<b>REVENUES (1)</b>				
Rooms	\$ 29,143		\$ 16,653	
Telephone Long Distance	\$ -		\$ -	
Telephone Local	\$ -		\$ -	
Meeting Room	\$ -		\$ -	
Pet Fees	\$ -		\$ -	
Guest Store Income	\$ -		\$ -	
Vending Income	\$ -		\$ -	
Laundry Income	\$ -		\$ -	
Misc. Income	\$ -		\$ -	
<b>TOTAL REVENUE</b>	<b>\$ 29,143</b>		<b>\$ 16,653</b>	
<b>OPERATING EXPENSES</b>				
Total Room Supplies Expenses	\$ 7,989		\$ 4,565	
Total Admin & Gen Expenses	\$ 3,296		\$ 1,884	
Total Sales, Marketing & Advertising Expense	\$ 1,980		\$ 1,131	
<b>Total Franchise &amp; Royalty Fees</b>	<b>\$ -</b>		<b>\$ -</b>	
Total Maintenance & Repair Expense	\$ 2,068		\$ 1,182	
<b>Total Utility Expense &amp; Adequate Assurance Payments</b>	<b>\$ -</b>		<b>\$ -</b>	
US Trustee Fees (relating to Q4 2015)	\$ 4,875			
2015 Income Tax Return Preparation Payments			\$ 3,500	
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 20,208</b>		<b>\$ 12,262</b>	
<b>Actual Cash Disbursements</b>		<b>\$ -</b>		<b>\$ -</b>
Revenue In	\$ 29,143		\$ 16,653	
	\$ 140,285		\$ 136,730	
<b>Sales Tax Disbursements</b>				
<b>Additional Reserves</b>				
Expenses	\$ 20,208		\$ 12,262	
<b>Ending Cash Balance (3)</b>	<b>\$ 120,077</b>	<b>\$ -</b>	<b>\$ 124,468</b>	<b>\$ -</b>
<b>Ending Cash Balance in Wells Fargo and Local Bank Collection Accts (4)</b>				
<b>Reserves</b>				
<b>Available Cash After Deducting Reserves</b>				

(1) Note, at the request of (and as required by) Spectrum Origination, LLC, this budget reflects revenue projections that are lower than the revenue projections included by the Debtors in their prior budget drafts. Submission of this budget shall not be deemed an admission by the Debtors that Spectrum Origination's more conservative projections are the correct projections of the Debtor's future financial performance.

(2) The beginning cash balance includes funds that have been reserved. The balance is net of outstanding checks/deposits.

(3) Note, actual ending cash balance is an estimated actual cash balance prepared on a rollforward basis.

The actual cash in the Debtor's accounts may vary from the rollforward amounts set forth herein due to float differences associated with respect to cash deposits and timing differences with respect to issued.

(4) Applicable to the actual columns only, this represents the ending cash balance, as of the last day of the budget period, per the Wells Fargo and local bank collection account records. This amount may not tie to prior cash collection activity due to float differentials, as cash deposits are processed on a daily basis and